

and its review based on availability of resources in the region and its impact on retail tariff are functions of the Appropriate Commission.

Regulation of multi-level marketing companies

428. SHRI M.P. ACHUTHAN: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government is aware of a number of multi-level marketing companies operating in the country are disguised as those selling products but they are inherently operating money circulation scheme;

(b) if so, the details thereof;

(c) whether Government has any plan to regulate such companies so that the common consumers are not cheated; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R.P.N. SINGH): (a) to (d) Yes, Sir. Some complaints have been received, in the light of which, the Government, in Department of Financial Services, has constituted an Inter-Ministerial Group consisting of representatives from Department of Financial Services, Ministry of Corporate Affairs, Reserve Bank of India, Securities Exchange Board of India, Department of Consumers Affairs, CIEB (Department of Revenue) and SFIO to-

- (i) draft Model Rules on the Multi Level Marketing Companies and on the prohibited scheme under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978;
- (ii) frame clarificatory guidelines on how to distinguish between genuine direct sales from disguised money circulation Scheme.

Revision in cap on fuel costs

429. SHRI S. THANGAVELU: Will the Minister of POWER be pleased to state:

(a) whether the Ministry is planning to further increase the cap on upward variation of fuel costs and the new cap would be introduced in the bidding norms to be implemented for projects under the Twelfth Five Year Plan;

(b) if so, the details thereof;